

ADRIATIC BANK AD PODGORICA

NOTICE OF AMENDMENTS AND SUPPLEMENTS TO THE GENERAL TERMS AND CONDITIONS

Podgorica, July 8, 2025

We hereby inform you that the Board of Directors of Adriatic Bank AD Podgorica (hereinafter: the Bank), at its session held on July 8, 2025, adopted the amended and supplemented General Terms and Conditions, which shall apply as of September 8, 2025, and pertain to the following:

- General Terms and Conditions of Business
- General Terms and Conditions for Opening, Maintaining and Closing Transaction Accounts, Savings Accounts, Basic Payment Accounts, Account Transfers, and Provision of Payment Services for Natural Persons
- General Terms and Conditions for Opening, Maintaining and Closing Transaction Accounts and Provision of Payment Services for Corporate Entities, Legal Persons and Entrepreneurs
- General Terms and Conditions for the Use of Electronic Banking Services

The aforementioned changes relate to alignment with amendments to the Law on Payment Operations and the application of the Decision on Requirements for Executing Credit Transfers and Direct Debits in Euros within the Single Euro Payments Area (SEPA).

What are SEPA payments?

SEPA (Single Euro Payments Area) designates a unified euro payment area that enables simple, rapid, and secure transactions among SEPA member states - including those in the European Union and other participating countries. All citizens and business entities within SEPA member states can execute credit transfers to other SEPA member countries under the same standardized rules, procedures, and payment formats. SEPA schemes significantly streamline the payment process, reduce costs, and increase efficiency, allowing users to manage their finances in a simple and transparent manner, thereby fostering economic integration and facilitating trade among all SEPA member states.

Advantages of SEPA payments:

- **Speed and efficiency:** SEPA payments are faster than international payments executed via SWIFT and are processed according to a defined schedule
- **Cost reduction:** Transaction costs are lower compared to international SWIFT payments

- **Simplicity:** SEPA enables the use of the same banking data (IBAN) and payment formats across all SEPA member states, simplifying the payment process
- **Security:** SEPA payments are subject to stringent regulations and standards, ensuring a high level of security for users
- **Increased competitiveness:** By enabling easier and cheaper payment execution, SEPA stimulates trade and business between SEPA member states, enhancing market competitiveness.

SEPA payments represent a significant step toward the integration of the European market, making everyday financial transactions between citizens and business entities of SEPA countries smoother and more accessible.

The General Terms and Conditions have been primarily updated in the section related to the initiation and execution of international payment orders via SEPA payment schemes, as follows:

Amended term:

- *International payment transaction shall mean a payment transaction where one payment service provider provides the service in the territory of Montenegro, and another in a third country, as well as transactions where the same provider serves one user in Montenegro and the same or another user in a third country. Such transactions are carried out via SWIFT or the SEPA payment scheme.*

Newly added terms:

- *SWIFT (Society for Worldwide Interbank Financial Telecommunication) is a global network that enables secure, standardized, and reliable exchange of financial messages among financial institutions. Through the use of SWIFT codes and messages in accordance with international standards, it facilitates the transmission of payment-related information regardless of the location of participating banks or institutions;*
- *SEPA (Single Euro Payments Area) payments are all types of credit transfers executed as international payments within the single euro payments area through SEPA schemes under standardized, defined rules applicable to SEPA member countries;*
- *Transaction revocation refers to the process whereby the payer withdraws an authorized national payment order before execution, or, in the case of international transactions, after execution, in accordance with defined SWIFT and SEPA rules;*

- *Cancellation (Storno) is the process of withdrawing a submitted payment order that has not yet been authorized.*

Added rules for payment orders:

- *National payment orders must include the legally prescribed elements: name of the payer, payer's transaction account, name of the payee, payee's transaction account, purpose and payment code, model and reference numbers for debit and credit, payment amount, and payment currency. Such orders are executed from BBAN accounts via RTGS or DNS systems according to the Decision on Minimum Value of Transactions to Be Processed through the RTGS System.*
- *International payment orders executed from IBAN accounts via SWIFT or SEPA must include: payer information, payer's IBAN, payee information, payee's IBAN, payment amount and currency, purpose, SWIFT (BIC) of the payee's bank, and the applicable cost option. SEPA payments may optionally include: ultimate debtor, ultimate beneficiary, and LEI code. Orders must be signed by the client's authorized officers and accompanied by appropriate execution documentation (e.g., contract, invoice/pro forma invoice, resolution, declaration, etc.).*

Amended terms for cancellation and revocation of national orders:

- *Users may cancel payment orders via the Electronic Banking app in the order review section, provided the order is not authorized. Authorized national orders may be revoked (authorization withdrawn) if not yet executed by the Bank and if submitted via electronic banking. Once a national order is executed, it is considered irrevocable.*

Added conditions for revocation of international orders:

- *Authorized international orders may be revoked by the user even after execution, at the Bank's organizational unit or counter where the order was submitted. For SWIFT-transactions, the Bank will forward the revocation request to the correspondent bank. For SEPA transactions, users may request revocation within 10 business days, or within 13 months in case of fraud. Users may also request reimbursement; the Bank must initiate this with the payee's bank, and it must be completed within 3 business days of execution. Upon acceptance of the revocation by the payee's bank, the Bank will*

credit the payer's account. If rejected, the Bank will inform the client and explain the reasons.

Added conditions for complaint resolution:

- *Any disputes or complaints regarding service provision shall be resolved amicably between the User and the Bank. Complaints may be submitted in person, via email to kvalitet@adriaticbank.com (available through the Bank's website), or by post. The Bank shall respond within 15 days of receipt. If the Bank is unable to respond within this timeframe due to factors beyond its control, it shall notify the payment service user within 15 business days explaining the delay and provide a new response deadline which shall not exceed 35 business days from the date of receipt of the complaint.*

The full amended and supplemented General Terms and Conditions may be found on the Bank's website at www.adriaticbank.com. Additional information is available at the Bank's branches or through the Contact Center via telephone at +382 20 677 861, via email at contactcentar@adriaticbank.com, or via WhatsApp message/call at +382 67 117 153.